

Message Text

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ORIGIN EB-07

INFO OCT-01 AF-06 ARA-10 EUR-12 EA-09 IO-11 ISO-00 TAR-01

SP-02 AID-05 NSC-05 CIEP-02 TRSE-00 SS-15 STR-04

OMB-01 CEA-01 CIAE-00 COME-00 FRB-01 INR-07 NSAE-00

USIA-15 XMB-04 OPIC-06 LAB-04 SIL-01 L-03 H-02 INT-05

AGR-10 PA-02 PRS-01 /153 R

DRAFTED BY EB/OT/STA:WTDIROLL:JH

APPROVED BY EB/OT/STA:WCLARK, JR.

ICD/ISM:WPOLIK

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R 220221Z JAN 76

FM SECSTATE WASHDC

TO AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRASILIA

AMEMBASSY BRUSSELS

AMEMBASSY BUENOS AIRES

AMEMBASSY CANBERRA

AMEMBASSY HELSINKI

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY MADRID

AMEMBASSY MEXICO

AMEMBASSY MOSCOW

AMEMBASSY VIENNA

AMEMBASSY TOKYO

AMEMBASSY WARSAW

AMCONSUL HONG KONG

INFO USMISSION OECD PARIS

USMISSION EC BRUSSELS

USMISSION GENEVA

USDEL MTN GENEVA

AMEMBASSY OSLO

AMEMBASSY OTTAWA

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AMEMBASSY PARIS

AMEMBASSY PRAGUE
AMEMBASSY PRETORIA
AMEMBASSY ROME
AMEMBASSY SEOUL
AMEMBASSY STOCKHOLM
AMEMBASSY THE HAGUE
AMCONSUL CAPE TOWN

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FOR EMBASSY CAPE TOWN

E.O. 11652:N/A

TAGS: ETRD

SUBJECT: ESCAPE CLAUSE PROCEEDING ON ALLOY STEEL - SUMMARY
OF OPINIONS OF MEMBERSHIP OF COMMISSION

REF: STATE 12719

1. FOLLOWING IS THE TEXT OF THE DETERMINATIONS, FINDINGS
AND RECOMMENDATIONS OF INTERNATIONAL TRADE COMMISSION
RELEASED TO THE PUBLIC JANUARY 20. (THE FULL TEXT OF THE
REPORT IS NOT YET AVAILABLE FOR DISTRIBUTION TO THE
MISSION.); BEGIN TEXT.

ON THE BASIS OF ITS INVESTIGATION, THE COMMISSION DETERMINES
(SEE NOTE 1) THAT BARS; WIRE RODS; AND PLATES, SHEETS AND
STRIP, NOT CUT, NOT PRESSED, AND NOT STAMPED TO NONRECTAN-
GULAR SHAPE; ALL THE FOREGOING OF STAINLESS STEEL OR ALLOY
TOOL STEEL, PROVIDED FOR IN ITEMS 608.52, 608.76, 608.78,
608.85, 608.88, 609.06, 609.07. AND 609.08 OF THE TARIFF
SCHEDULES OF THE UNITED STATES, ARE BEING IMPORTED INTO THE
UNITED STATES IN SUCH INCREASED QUANTITIES AS TO BE A
SUBSTANTIAL CAUSE OF SERIOUS INJURY, OR THREAT THEREOF,
(SEE NOTES 2 AND 3) TO THE DOMESTIC INDUSTRY OR INDUSTRIES
PRODUCING ARTICLES LIKE OR DIRECTLY COMPETITIVE WITH THE

IMPORTED ARTICLES.
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THE COMMISSION (COMMISSIONER PARKER ABSTAINING) UNANI-
MOUSLY DETERMINES THAT INGOTS, BLOOMS, BILLETS, SLABS,
AND SHEET BARS OF STAINLESS STEEL OR ALLOY TOOL STEEL,
PROVIDED FOR IN ITEM 608.18 OF THE TARIFF SCHEDULES OF
THE UNITED STATES, ARE NOT BEING IMPORTED INTO THE UNITED
STATES IN SUCH INCREASED QUANTITIES AS TO BE A SUB-
STANTIAL CAUSE OF SERIOUS INJURY, OR THREAT THEREOF, TO

THE DOMESTIC INDUSTRY PRODUCING ARTICLES LIKE OF DIRECTLY
COMPETITIVE WITH THE IMPORTED ARTICLES.

FINDINGS AND RECOMMENDATIONS

THE COMMISSION (COMMISSIONERS LEONARD, MINCHEW, MOORE,
AND BEDELL) FINDS THAT --

(1) THE QUANTITATIVE LIMITATIONS HEREINAFTER SPECIFIED
ARE NECESSARY TO PREVENT OR REMEDY SUCH INJURY.

(2) WHENEVER, IN CALENDAR YEAR 1976, OR ANY CALENDAR
YEAR THEREAFTER UP TO AND INCLUDING 1980, THE RESPECTIVE
AGGREGATE QUANTITY SPECIFIED BELOW FOR ONE OF THE
SPECIFIED CLASSES OF ARTICLES HAS BEEN ENTERED, NO ARTICLE
IN SUCH CLASS MAY BE ENTERED DURING THE REMAINDER OF
SUCH CALENDAR YEAR:

		(IN SHORT TONS)			
		STAINLESS STEEL		ALLOY	
CALENDAR YEAR		SHEET AND	PLATE	BAR	ROD TOOL
		STRIP	STEEL		
1976	79,000	13,000	19,600	16,000	18,400
1977-80	AN AMOUNT FOR EACH CALENDAR YEAR EQUIVALENT TO THE FOLLOWING PERCENTAGES OF APPARENT U.S. CONSUMPTION FOR THE PRECEDING CALENDAR YEAR, BUT NOT LESS THAN THE QUANTITIES SPECIFIED:				
	13	15	13	52	18
	73,100	11,900	19,600	15,900	18,400

(3) THE MINIMUM QUANTITIES SPECIFIED IN (2), ABOVE, FOR
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CALENDAR YEARS 1977 TO 1980, INCLUSIVE, ARE THE AVERAGE
ANNUAL IMPORTS FOR EACH OF THE SPECIFIED CLASSES OF
ARTICLES ADJUSTED UPWARD TO THE NEAREST 100 SHORT TONS
FOR THE CALENDAR YEARS 1970 TO 1974, INCLUSIVE, WHICH
PERIOD IS THE MOST RECENT PERIOD WHICH IS DETERMINED IS
REPRESENTATIVE OF IMPORTS OF EACH SUCH CLASS OF ARTICLES;

(4) NO MORE THAN 60 PERCENT OF EACH OF THE RESPECTIVE
AGGREGATE QUANTITIES SPECIFIED IN (2), ABOVE, FOR EACH
CLASS (DETERMINED FROM THE SPECIFIED PERCENTAGES WHERE
APPROPRIATE) MAY BE ENTERED DURING THE FIRST 6 MONTHS OF
ANY CALENDAR YEAR;

(5) IN ORDER TO PROVIDE FOR AN EQUITABLE DISTRIBUTION
OF THE IMPORTS AMONG SUPPLYING COUNTRIES, EACH OF THE

RESPECTIVE AGGREGATE QUANTITIES SPECIFIED IN (2), ABOVE FOR EACH CLASS OF ARTICLES, (DETERMINED FROM THE SPECIFIED PERCENTAGES WHERE APPROPRIATE) SHOULD BE ALLOCATED BY PRODUCT GROUP AMONG SUPPLYING COUNTRIES ON THE BASIS OF THEIR AVERAGE ANNUAL HISTORICAL MARKET SHARES DURING THE PERIOD 1972 TO 1974, INCLUSIVE, AND SHOULD ANY PORTION OF A SUPPLYING COUNTRY'S ALLOCATED QUOTA SHARE REMAIN UNUSED AT THE END OF THE QUOTA YEAR, THAT COUNTRY'S SUBSEQUENT ALLOCATION SHOULD BE REDUCED TO THAT EXTENT AND THAT AMOUNT SHOULD BE APPORTIONED AMONG ALL OTHER SUPPLYING COUNTRIES; AND

(6) ON OR BEFORE DECEMBER 1 OF EACH OF THE CALENDAR YEARS 1976 TO 1979, INCLUSIVE, THE UNITED STATES INTERNATIONAL TRADE COMMISSION SHOULD DETERMINE AND REPORT TO THE PRESIDENT THE ESTIMATED APPARENT UNITED STATES CONSUMPTION OF EACH OF THE RESPECTIVE CLASSES OF QUOTA ARTICLES IN (2), ABOVE, FOR SUCH CALENDAR YEAR; AND ON OR BEFORE APRIL 1 OF EACH OF THE CALENDAR YEARS 1977 TO 1980, INCLUSIVE, THE UNITED STATES INTERNATIONAL TRADE COMMISSION SHOULD DETERMINE AND REPORT TO THE PRESIDENT THE APPARENT UNITED STATES CONSUMPTION OF EACH OF THE RESPECTIVE QUOTA IN (2), ABOVE, DURING THE PRECEDING CALENDAR YEAR.

THE COMMISSION WOULD KEEP ITSELF INFORMED ABOUT CONDITIONS
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OF TRADE IN THE ARTICLES SUBJECT TO THE FOREGOING QUOTAS, AND, IF IT APPEARS THAT CONDITIONS EXIST THAT MAY REQUIRE THAT ANY OF THE QUOTAS SHOULD BE INCREASED OR TERMINATED, IT WOULD PROMPTLY INITIATE AN INVESTIGATION AND HOLD A HEARING AND WOULD REPORT THE RESULTS THEREOF TO THE PRESIDENT IN ACCORDANCE WITH THE REVIEW PROCEDURES ESTABLISHED BY SECTION 203(I) OF THE TRADE ACT.

COMMISSIONER ABLONDI --

HAVEING MADE A NEGATIVE DETERMINATION, I ABSTAIN FROM ANY RECOMMENATION OF REMEDY.

NOTE 1 - CHAIRMAN LEONARD AND COMMISSIONERS MOORE AND BEDELL DETERMINE IN THE AFFIRMATIVE. VICE CHAIRMAN

MINCHEW DETERMINES IN THE AFFIRMATIVE WITH RESPECT TO STAINLESS-STEEL BARS AND WIRE RODS, AND ALLOY TOOL STEEL

IN ALL FORMS AND IN THE NEGATIVE WITH RESPECT TO STAINLESS PLATES AND SHEETS AND STRIP. COMMISSIONER

ABLONDI DETERMINES IN THE NEGATIVE. COMMISSIONER PARKER
ABSTAINED.

NOTE 2 - CHAIRMAN LEONARD DETERMINES SERIOUS INJURY WITH
RESPECT TO THE LISTED ARTICLES OTHER THAN STAINLESS-STEEL
PLATE, FOR WHICH HE DETERMINES THREAT OF SERIOUS INJURY;
HE DOES NOT MAKE A DETERMINATION WITH RESPECT TO THE
THREAT OF SERIOUS INJURY ON ARTICLES OTHER THAN STAINLESS-
STEEL PLATE, AS HE CONSIDERS THAT A DETERMINATION OF
THREAT OF SERIOUS INJURY IS UNNECESSARY IN VIEW OF HIS
DETERMINATION OF SERIOUS INJURY.

NOTE 3 - VICE CHAIRMAN MINCHEW DETERMINES SERIOUS INJURY
WITH RESPECT TO STAINLESS-STEEL BARS AND WIRE RODS, AND
ALLOY TOOL STEEL IN ALL FORMS; HE DOES NOT MAKE A
DETERMINATION WITH RESPECT TO THE THREAT OF SERIOUS
INJURY, AS HE CONSIDERS THAT A DETERMINATION OF THREAT
OF SERIOUS INJURY IS UNNECESSARY IN VIEW OF HIS DETERMINA-
TION OF SERIOUS INJURY. END TEXT. SISCO
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE LAW, REPORTS, PUBLIC DISCLOSURE, IMPORT QUOTAS, FERROALLOYS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE015520
Document Source: CORE
Document Unique ID: 00
Drafter: WTDIROLL:JH
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760024-0719
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760131/aaaabbq.tel
Line Count: 248
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 76 STATE 12719
Review Action: RELEASED, APPROVED
Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 04 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 JUN 2004 by barnescd>; APPROVED <27 JAN 2005 by izenbei0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ESCAPE CLAUSE PROCEEDING ON ALLOY STEEL - SUMMARY OF OPINIONS OF MEMBERSHIP OF COMMISSION
TAGS: ETRD, SZ
To: BERN
MULTIPLE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006